GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:305
ANSWERED ON:17.11.2016
Irregularities in Purchase of Cotton
Reddy Shri Y. S. Avinash

Will the Minister of TEXTILES be pleased to state:

(a) whether some irregularities have taken place in Andhra Pradesh and Telangana in cotton purchases;

(b) if so, the details thereof and amount involved therein;

(c) whether it is also true that CBI has registered cases against Cotton Corporation of India (CCI) officials in this regard;

(d) if so, the details thereof and the status of action taken on the CCI officials; and

(e) the steps taken by the Government to check recurrence of such irregularities in future?

Answer

MINISTER OF TEXTILES
(SMT. SMRITI ZUBIN IRANI)

(a) & (b): Yes, Madam. During cotton season 2014-15, Cotton Corporation of India (CCI) Limited had to undertake massive procurement operation under Minimum Support Price (MSP) and procured 86.97 lakh bales out of which about 63% (i.e.54.47 lakh bales) were procured in the State of Andhra Pradesh & Telangana. Since the procurement operation was the biggest ever in Telengana and Andhra Pradesh, some lapses in identification of cotton farmers etc. were noticed.

(c) & (d): Yes, Madam. CBI has registered total 10 cases (i.e. 4 cases in Andhra Pradesh & 6 cases in Telangana) against CCI officials posted in Andhra Pradesh & Telangana on issues related to identification of cotton farmers etc and matter is under investigation with CBI. Besides, Chief Vigilance Officer of CCI also investigated the issue thoroughly and come into conclusion that concerned 21 CCI Officials (List annexed) should also monitor their purchase operation properly to avoid such type of irregularities. Accordingly, CCI has initiated Departmental enquiry by appointing a Retired High Court Judge against all the above officials which is under progress. In the mean time all the above officials have been transferred to other branches.

(e): To overcome such type of situations, Government of India has requested all major cotton producing states to devise procedure so that the officials from State Agriculture Department, District Collectors and Agricultural Produce Marketing Committee (APMC) officials may ensure that only bonafide cotton farmers sell their produce to Nodal Agencies without any involvement of Commission Agents or middlemen or traders so as to ensure that the benefit of MSP is received by cotton farmers only and not by anyone else.